

Socio-Economic Effects of Customer Knowledge, Political Support, and Innovation on the Growth of Islamic Banking System; Case Study of Pakistan

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Research

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Abstract

Islamic banking is the most rising component in the economy for reasonable advancement of Pakistan tributary yet. Despite what might be expected, real impediments that interfere with the developments in Islamic money keeping are client information, political help, and advancement. The Islamic banking and money related segments proceed to develop, and ways incorporates the necessity to make new products. It isn't generally the absence of venture substitutes that urge associations to propose organized items. The examination incorporated the specimen of 100 individuals. Stratified-arbitrary testing method is utilized to deal with both public and private associations workers. A measurable tool named SPSS was utilized to separate the outcome which demonstrates that effect of customer knowledge, political support, and innovative advancement in development of Islamic money keep that might be conclusive. The reasonable advancement has three parts satisfaction incorporated the social equity, monetary soundness, and ecological trustworthiness by development of Islamic banking. It is inferred that Islamic bank could be worldview phenomenon in making the credit. However, national bank should make the product which can viably upgrade Islamic Banking. There is a strong microeconomics ground of Islamic financing for the economy wide conduct of good monetary issues and issues including the procedure structure. Islamic bank clients limit the dangers related with premium based obligation financing, and simple credit, which tormented regular banks amid the sub-prime home loan emergency. Conclusively, general monetary development of Islamic banking in Muslim nations will drive development of Islamic money related administrations, prompting further in Sharia-consistent system.

1 Introduction

The forbiddance of interest for Islam made numerous compositions approach with a plan to build up banks for supportable improvement that don't take a shot at premium premise (Kahn 2006). So the fundamental dissimilarity amid Islamic banks and conventional banks is interest sentiment. Conventional banks are enhancers of the interest base system whereas Islamic banking is interest free institutions (Kahf 2006). Although interest and profit are apart from each other, but they are misinterpreted by many individuals (Toutouchian 2007). Islamic finance has absorbed the world with a strong constrained and passion. Interest in banking sector depicts almost in 60 countries, this is not in Islamic countries only, but it is also enhancing in many lending global financial centers (Shamshad 2007).

In the past 20 years, Islamic banking is marvelously growing, having more than \$80 billion portfolio in more than 45 countries (Meezan Bank 2007). Estimated annual turnover has passed over \$ 70 billion which will increase up to \$100 billion by the end of 2000. Previously the way of Islamic banking in Pakistan was mostly interest based, but currently this trend starts changing and various banks in Pakistan are introduced which are totally on Islamic mechanism which is interest free (Meezan Bank 2007). In 2007 Meezan Bank are targeting with revolutionary pace in the history of Islamic Banking by inaugurating its 100th branch in Karachi. By opening 100 branches in 31 urban communities without a doubt feature its position as the main Islamic Bank in Pakistan. There are two new dedicated Islamic

Banks working in Pakistan, EIB (Emirates Islamic Bank) and DIB and (Dawood Islamic Bank). (Meezan Bank 2007).

Customary keeping money depends on the rule that “the more you have, the more you can get” (Banking principle). As such, on the off chance that you have close to nothing or nothing, you don't get anything”. As a result, half of the world’s population is striving for the financial service of conventional banks. Conventional banking keeps collateral as security (Anjum, 2008). These banks focus on credit collection and magnifies the credit facilities that are acquired by any customers, over and above they also put the burden of extra charges on late payment as a punishment [Choudhury and Husain, 2005].

They call these borrowers “defaulters” (Karim and Affif 2005). When the customer face difficulty in paying the debt then the bank gets the alarming sign that how they could recover their money and put their maximum effort on it. Conventional bank keeps on charging extra cost unless and until customer gets default. Interest accused on a loan are multiplied which depends on the tenure of the loan (Gait and Worthington 2007). The crucial variation is that Islamic banking is centered on Shariah foundation while the conventional banking does not (UstHj Zaharuddin 2007). The second characteristic that distinct Islamic banking from conventional banking is the nature of relationship between customer and the bank (Khir et al. 2008). The next disparity is the disallowance of Riba (Haron & Ahmad 2000). The demonstration of a bank to get any advantages without bearing the risk of an exchange will be considered as Haram or denied in Islam (Haron & Ahmad, 2000). It is hard to get correct figures on the extent of the Islamic monetary part (Iqbal and Mirakhor 1999). Lately, it is noticed that in 1983 there were 34 institutions of Islamic banks which has grown to 250 today, working and overseeing resources of \$200 billion (Phillips, 2001).

The yearly development rate for Islamic money related establishments changes from 15 to 40 percent every year (Hamwi and Aylward 1999). The interest in Islamic Finance Institutions gives conceivable chance to benefit and hazard share for members in the advanced condition and inside the managing standards of the shariah (Memon 2007). By and large, we can characterize the Islamic bank as a non-premium based money related foundation, which goes along completely with Islamic Laws and has innovative and dynamic monetary building to offer effective and focused saving money, exchange back, business and land financing administrations (Abdul et al. 2001). Figure 1 indicates the theoretical framework of the variables for the Islamic banking system.

1.1 Conceptualization of Variable

Islamic Banking is presently one of the world's biggest more quickly developing financial segments, including more than 300 establishments in more than 75 nations. “Islamic Banking alludes to an arrangement of saving money, as premium is denied in Islam”. Despite premium free account management, Islamic money saving is likewise concentrating on the other kind of Islamic banks which is eminent such as benefit and misfortune sharing, zakat finding, dodging *gharar*, and mitigates the utilization of that merchandise and ventures which are considered as denied from Islamic perspective

(Samad, 2004, p. 3). So, Islamic banks never center for the most extreme returns; it has major underlined on satisfying the education of the Holy Qur'an [Kader, et al.2007].

Masnita et al. (2019) explored that government support, technology support and Islamic banking awareness plays a substantial role in the selection of Islamic banking. Yousafzai (2012) analysed concepts of rational action, deliberate behaviour and the technology recognition model to study the significance of technology support in the banking sector. The outcomes reflected that technology support imitates the choice of banks. Abou-Youssef et al. (2011) found that technology support has a robust control on the recognition principles of Islamic banking. Technology support intensifies the suppleness and acceptance for customers to utilize the internet and e-commerce in managing their banking essentials. Khattak (2010) found that individuals embrace Islamic banking practices in Pakistan as individuals are contented with certain products and services of Islamic banking practices but individuals do not use all of their products, even if they are aware of them.

In comparison, Muslims customers consider not only the productivity feature, but they are also profound on Shariah amenability. Furthermore, Bananuka et al. (2019) determined that religious reasoning has significant association in connection to select an Islamic bank. Customer recognition is the crucial feature for the accomplishment and development of banking.

Liu (2017) exploited that consideration of several dimensions of organizational learning, and practice of an advanced level of innovation in their processes by following competitive learning procedures, consenting them to attain sustainable performance. Hurley & Hult, (1998) and Hult, Hurley & Knight, (2004) argued about the idea that organizational learning describes the fundamentals of corporate innovation, and it positively effects the innovation procedures. Abbas et al. (2019) find that knowledge sharing, and organizational innovation have intermediating influence upon organizational learning. The outcomes are applicable to advise a systematic and universal framework for getting an upgraded performance in Islamic banks through the intermediating role of organizational learning.

Political Support is the fundamental and national obligation of the administration of Pakistan and its inhabitant to force the intrigue free economy and money related structure in the nation. Notwithstanding, the administration did not design any abridge arrangement for Islamic organizations and endeavored to apply the Islamic request in the monetary field just (Nomani and Rahnema 1994). The potential government's express that it has been underwriting the premium free keeping money practice under a double framework is neither conceivable nor honest.

In Islamic saving money they cannot give the correct information about the premium free managing an account. Appropriate information can expand the Islamic banking efficiency in Pakistan. The accomplishment of this sort of banking practices certainly searches for forcing Islamic changes in the worldwide framework, which is unthinkable. Truth be told, the traditional keeping money framework have been substituting exceptionally proper establishment of financing for the administration, however the premium free saving money arrange should be most certainly not. Development is the procedure that translates learning into financial development and social prosperity. It incorporates a succession of

logical, mechanical, hierarchical, monetary, and business exercises. A considerable lot of the obsolete and straightforward meanings of Islamic monetary exchanges can be watched as of now as sorted out items in ordinary guidelines.

1.2. Islamic Banking and Sustainable Development in Pakistan

On July 1, 1985 no traditional bank in Pakistan was confined to bargain in the enthusiasm bearing stores. All stores were sorted on the premise of benefit and loss sharing, however foreign banks were exempted from this commitment (State Bank of Pakistan 2000). Since July 1, 1985 The Federal Shariat Court (FSC), was declared to audit the non-Islamic system executed by the banks in Pakistan. This shariah court fall the exchange done in the intrigued based framework in the class of Riba which is denied in Islam and pronounced the administration to dispose of the premium charges (State Bank of Pakistan 2000). Numerous money related organizations state to government that these monetary frameworks are not plausible and numerous remote banks cautioned to government to twist up their business from Pakistan. So, the legislature and some other monetary organizations claims to the Shariat Appellate Bench (SAB) of the Supreme Court of Pakistan (State Bank of Pakistan 2000). So, the court meddled to make the best possible structure on bringing the new monetary arrangement which are free from premium based account management. So Islamic banks are more compliments to the clients and build a strong moral relation with them by performing efficiently in the banking sector (Choudhury and Husain, 2005). Consequently, it comes up with the view point that ample solution that working in the liabilities and in the field of assets, Islamic gadget is a comprehensive solution (Ismail 2010).

All the Islamic banks are facing a lot of major problem regarding the Islamic banking which is stinging a lot in the development of the Islamic banking (Bhatti and Khan 2008). Impressions of the main Islamic modeled institutions are provided. They originated from the proceedings that Islamic banking development can be done by making the Islamic banking involved in the western society as well, accompanied with that credit rating agencies and existence of the rigorous financial institution and by enhancing the security of stakeholders of Islamic banks (Alexakis & Tsikouras, 2009). The laws are quite strict to the nature but at the end, it is at the benefit of both the parties. Therefore, those companies who wishe to work with the Islamic financing are restricted to follow the rules of the Islamic shariah, which are on the bases of truth and justice and the outcome from these offers should also be fair (Cerimagic 2010).

The effect of selected financial factors on deposits level in the Islamic and ordinary saving money frameworks in Malaysia has been under review. These studies used both short run and long run correlation among the variables using the advance time econometrics series. By utilizing these econometric arrangements, it is discovered that variables, for example, rates of interest on deposits of ordinary managing an account, Islamic bank rates of benefit base loaning rate, customer value list, cash supply and total national output have diverse effect on stores at both Islamic and customary keeping money frameworks. Kuala Lumpur composite index Most of the customers in the conventional banking are dealing only in the bank if they have the conformity of have interest in their deposits. Contrarily, this

obligation is not in the Islamic banking because it is against the Islamic shariah rule (Haron and Azmi 2008).

Islamic keeping money shopper behavior in Indonesia is utilized in a subjective way to deal with that exploration. It is found that three market fragments were driven by various inspiration. Due to various inspiration level, the consumer's basic leadership procedure of each fragment altogether was different. Moreover, in view of this investigation, it investigated two division variables, in particular value- realistic variable and financial size variable. The mix brought about Kmark Segmentation Model. From this division, the buyer assessment arrange in the basic leadership process can be additionally ordered (Karim and Affif 2005).

Generically, Islamic banking and the micro credit has the major contrast, as micro credit is composed to make payment of loan on the basis of the interest-based installments but contrarily Islamic financing prohibit it. However, both kinds of financing were promoted among the member of the society and it encourages to the sole businesses by providing collateral free loan (Shahinpoor 2009). The effectiveness of Islamic saving money industry in Malaysia Foreign vin diverges from the local banks.

The archives used the DEA (Data Envelopment Analysis) approach which considers the crumbling of specialized adequacy into its unadulterated specialized and scale profitability constituents. Further it was inspected that whether the nearby and abroad banks are drawn from a similar populace by executing a succession of parametric and non-parametric checks. At last, the authors endeavor to inspect the dependability of the evaluated DEA effectiveness scores by under covering its relationship with the obsolete methods of banks output (Sufian 2007). In recent view, in past decades the Islamic banking is developed rapidly. Therefore, if Islamic banking is developing rapidly then Islamic bank will be able to create credit as the conventional banks if it is so, then what method should centrally bank use to implement such situation.

A summary of the literature in this regard is discussed and credit creation procedure is clarified as contextual fact for the argument. One reason appears to be the dissimilar among organizational model of Islamic banks and their milestones which is supposed to be encountering the Islamic macroeconomics (Hasan 2008). He designed in Islamic banking to make a new prospect of the Islamic microeconomics. He assembled a relative study between the recent studies on the economic views and ethical prospects of the Islamic financing to make a streamline in the micro and macroeconomics. His research was based on the hypothetical examination (Choudhury, 2006).

1.3. Growth of Islamic Banking

Islamic banking, starting from the Middle East, has developed into an overall marvel with Islamic money related foundations now operational in more than 75 nations around the world. As indicated by Ersnt and Young's World Islamic Banking Competitiveness Report, 2011, 2012, Islamic banking resources with business banks universally will develop to US \$1.1 trillion of every 2012 from US \$826 billion out of 2010. The market for Sharia-agreeable money related administrations will keep on growing, driven by both

request and supply factors. On the request side, not simply retail clients but rather, progressively, partnerships additionally need to direct all monetary exchanges as per Sharia. The changing socioeconomic trends of Muslim nations will likewise drive the interest for Sharia-consistent money related administrations.

Numerous Muslim nations have young populations, with more than 50 percent of the general population under 21, combined with population development rates of more than 3 percent for each year. Now a day's numerous traditional banks are correspondingly entering into the Islamic Banking space because of its inborn norma for low introduction to hazard. Islamic saving money, because of its stringent Sharia consistence standards. This is especially significant in the oil rich nations of the Gulf where state-possessed endeavors, which tend to entirely cling to Sharia. On the supply side, the principal driver of development in Islamic saving money is the expanding number of monetary administrations organizations offering Sharia agreeable arrangements. Notwithstanding the new Islamic banks that are being framed, there is a developing pattern among existing ordinary banks to change over their operations to wind up Sharia agreeable. With expanding rivalry in their home markets, various Islamic banks in the Middle East have begun to extend comprehensively, with an underlying spotlight on Asia and Africa. This expanded rivalry is prompting new imaginative items being offered making Islamic banking more fascination.

2 Data And Methodology

2.1 Description of the Data

With a specific end goal to discover information (factor that Effect the development of Islamic Banking) following where the focuses proclamations that should be considered. This Study has gathered information about various factors. These Factors are Knowledge, Political Support, Innovation and Islamic keeping money. Instrument of information accumulation is strategy of the study. Self-regulatory examiner is utilized for this examination.

The point of the investigation is to gather Pakistan information with a specific goal line to test the theories in regard to the variables, which influence the development of Islamic keeping money. Keeping in mind the end goal to guarantee that our outcomes are straightforwardly like another favorable position of utilizing the inquiries is that it is tried considering how reasonable these are for the investigation. In this overview, individuals are requested to volunteer their opportunity to finish a poll, information is gathered from Lahore City and for this motivation we will utilize arbitrary testing. The upsides of Self-regulatory examiner are that it can build up compatibility and propel respondent. Its questions can be illuminated, it is more affordable when administrated to bunches and it comes up with 100% response rate. Secrecy of respondent is also high.

2.1.1 Sampling technique and Sample

Stratified-arbitrary examining procedure will be utilized to deal with both public and private associations workers, suitable fulfillment will be undertaken to speak to both the male and female. Tests are brought arbitrarily with General open and test estimate is 100 and we are directing our examination inside the Lahore city of Pakistan because of the absence of assets.

2.1.2 Data Collection

The scale which is applied as a part of the examiners is 1 to 5. "1 - Strongly Disagrees" to "5 – Strongly Agree". SPSS is utilized to locate the quantitative outcomes. We are applying 4 tests to get the outcome. These are Descriptive Statistics, Correlation, Regression, Histogram and Scatter Plot.

2.2 Research Design and analysis

Research technique will be exploratory sort of the examination. The overview strategy will be utilized as a part of this descriptive research. We will utilize quantitative research. Quantitative research is helpful in giving definite arranging before information gathering and investigation since it gave instruments to measuring ideas arranging configuration stages and for managing populace and inspecting issues. Likewise, a quantitative research approach uses a deductive model. In testing the connection between factors and to give confirmation to or against pre hypothesis (Neumann 2003)

The investigation is done with SPSS. Regression investigation and descriptive statistics are obtained through applying Pearson product-moments relationship analysis, this methodology is selected as the strategy for breaking down and deciphering the observed information. Relapse Analysis was chosen, for its robust soundness of hypothesis investigating and testing how independent factor can be utilized to forecast a dependent variable and the linear regression depends on connection among the variables, for this situation Pearson product-moments correlation is applied, whereas it encourages more complete and complicated evaluation of the inter relationship of the factors. Investigation through ANOVA is done in orders to choose the measurable implication of the relationships among the chosen variables. The p-value of the F-test implies the rank of variables in the model. When the significance p-value is under 0.05, it implies there is a empirically significance association among the independent and dependent variables. P-value 0.10 alludes to weak or in-significant association.

A scatter plot is a plot or a chart of two factors that shows how the one variable associates with other variable. If there is chance that the association is profoundly positive, the pelted points are close the straight line from the lower left corner of plot to the upper right. The linear regression line will prevent descending from the upper left to bring down right if the connection is very negative. Correlation is utilized to check the connection between dependent and independent variables when both are related. There are two kind of relationship. Pearson, Spearman Correlation. In the event when the correlation between the factors is Linear then we utilized Pearson else we utilized Spearman relationship.

The 5-point scale is used for questionnaire, ranging from

1 – “Strongly Disagrees”

2 - "Disagree"

3 - "Neutral"

4 - "Agree"

5 - "Strongly Agree"

3 Results And Discussion

3.1 Effects of Political Support, Customer Knowledge, and Innovation on Bank growth

In Scatter plot interpretation of data, the dependent variable takes on y-axis and independent variable on X-axis. In scatter plot number 1 the Islamic banking on Y-axis and Political Support on X-axis. The greater part of the values is existing from 2 to 4. It implies that the member has given response in Neutral, agree and strongly agree. The estimation of linear is 0.001 and quadratic is 0.003 and difference is 0.002, which is less than significance level 0.05%. So, we utilized Pearson relationship. The polluted point is close to straight line so there is very positive connection between Islamic banking and Political Support. In Scatter plot investigation, subordinate variable interpreted on y-axis and autonomous variable on X-axis. In scatter plot the Islamic Banking is on Y-axis and Knowledge is on X-axis. The large portion of values are existing from 2 to 4. It implies that the participants have given reaction in Neutral and agree. The estimation of linear is 0.003 and quadratic is 0.003 and difference is 0.00, which is less than significance level 0.05% (Fig. 2). So, we utilized Pearson relationship. The polluted points are near straight line so there is extraordinarily positive connection between Islamic Banking and Knowledge.

In Scatter plot investigation subordinate variable is on y-axis and autonomous variable is on X-axis. In scatter plot the Islamic Banking on Y-axis and Innovation on X-axis. Most of the values are from 2 to 4. It implies that the individual has given reaction in Neutral and agree. The estimation of linear is 0.007 and quadratic is 0.016 and difference is 0.009 (Fig. 3), which is less than significance level 0.05%. So we utilized Pearson relationship. The polluted points are close to straight line so there is highly positive relationship between Islamic banking and Innovation (Fig. 4).

This shows the graphical investigation of the variables with the curve to analyze the normal distribution of the response rate. Let us describe the result of each histogram one by one

"Strongly Disagree" = 1

"Disagree" = 2

"Neutral" = 3

"Agree" = 4

“Strongly Agree” = 5

In histogram of Political support, the most values exist from 2 to 5 the median value is 4 the for the most part individuals have given reaction in agree the chart is around ordinary the mean value is 2.56 roughly 3. The Standard deviation is 0.805 and aggregate number of respondents are 100. In histogram of knowledge most of the values range from 3 to 5 and the most appeared value is 4 to 5. Most of the individuals have given response in agree. The graph has roughly normal the mean value of 2.75 which can be considered approximately 3. The Standard deviation is 0.748 and total number of respondents are 100. In histogram of Innovation, the most existing value ranges from 2 to 4 and the extreme value is 3. Most of the individuals have given response in agree. The graph is approximately normal with the mean value of 2.61 which is roughly 3. The Standard deviation is 0.681 and total number of respondents are 100. In histogram of Islamic Banking, the most existing value range from 2 to 4 and the extreme value is 2.3. Most of the respondents have given response in agree. The graph is approximately normal with the mean value of 2.31 which is roughly 2.5. The Standard deviation is 0.741 and total number of respondents are 100 (Fig. 5–8).

3.2 Relationship between knowledge, Islamic banking, innovation, and political support

The table-1 introduces the descriptive measurements that demonstrate the general picture of all the four variables. There is range of 5 reactions that prompt the choices (strongly disagree, disagree, neutral, agree, and strongly agree). Number of respondents for every variable are 100. In the table below, the mean value and the estimations of standard deviation of all the four variables are depicted. Mean value gives the thought regarding the central tendency of a variable.

Table 1
Descriptive statistics of variables

Descriptive Statistics			
	Mean	Std. Deviation	N
Political Support	2.56	.805	100
Knowledge	2.75	.748	100
Innovation	2.62	.681	100
Islamic Banking	2.31	.741	100

For instance in the event that we observed in the above output to survey is the average reaction rate or the respondent then we came to know the mean values of various variables like PS (mean:2.56), KN (mean:2.75), IN (mean:2.62), and IB (mean:2.31). In the above event that we observed then for all the four variables (PS, KN, IN, and Islamic Banking), the average reaction rate of participants is existing in the range from 3–4 (3 is for neutral and 4 is for agree). The basic option that is checked by respondent is 1

and the most extreme alternative that is ticked by respondent is 5. Standard deviation gives the thought regarding the dispersion of the estimations of a variable from its mean value. So, if we observe the response rate for the variable of Innovation then the value of the standard deviation is (S.D, 0.681) the lowest value as compare to other variable values. Which demonstrates that a large portion of the respondent answers were same for the variable of responsibility and have consistency in their response rate yet if we analyze later for Political Support and the estimation of standard deviation is (S.D 0.805).

Table 2
Correlations among Knowledge, Islamic Banking, Innovation and Political Support

Correlations		Islamic Banking	Innovation	Knowledge	Political Support
Islamic Banking	Pearson Corr.	1	.350	.390	.748
	Sig. (2-tailed)		.002	.001	.003
	N	100	100	100	100
Innovation	Pearson Corr.	.350	1	.428	.187
	Sig. (2-tailed)	.002		.002	.003
	N	100	100	100	100
Knowledge	Pearson Corr.	.390	.080	1	.311
	Sig. (2-tailed)	.001	.428		.001
	N	100	100	100	100
Political Support	Pearson Corr.	.748	.428	.311	1
	Sig. (2-tailed)	.003	.002	.001	
	N	100	100	100	100

In the above correlations table, the Pearson correlation value is 0.350 and significance level is 0.002 and the number of respondents for both Islamic banking and Innovation are 100. $R(100) = 0.350, P = 0.002$. Its shows that the significant value is less than 0.05 so there is relationship among them, and the Pearson correlation value is also describing that there is moderate relationship. The Pearson correlation value is 0.390 and significance level is 0.001 and the number of respondents for both Islamic banking and knowledge are 100. $R(100) = 0.390, P = 0.001$. Its shows that the significant value is less than 0.05 so there is relationship among them, and the Pearson correlation value is also describing that there is moderate relationship. The Pearson correlation value is 0.748 and significance level is 0.003 and the number of respondents for both Islamic banking and Political support are 100. $R(100) = 0.748, P = 0.003$. I describe that the significant value is less than 0.05 so there is relationship among them and the Pearson correlation value interprets that there is strong relationship.

Table 3
Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	.184 ^a	.340	.04	.740
a. Predictors: (Constant), Political Support, Knowledge, Innovation				

The above model outline table demonstrates that the multiple relationship coefficients (R), utilizing all of the indicators simultaneously, is 0.184 and adjusted R square is 0.04 which implies that 4% of fluctuation in Islamic Banking are from the combination of Political Support, Knowledge and Innovation.

Table 4
ANOVA Model

ANOVA ^s						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.847	3	.616	1.125	.003
	Residual	52.549	96	.547		
	Total	54.396	99			
a. Predictors: (Constant), Political Support, Knowledge, Innovation						
b. Dependent Variable: Islamic Banking						

The ANOVA table describes that $F = 1.125$ and is statistically significant meaning that there is a significant relationship. The significant value of regression is 0.003% which is less than 0.05% so, there is a significant relationship among Islamic Banking, Political Support, innovation, and Knowledge. Coefficient table exhibits the aftereffects of the regression investigation. The goal of the regression in this investigation is to discover such a function, to the point that could be utilized to discover the variables that influence the development of Islamic banking. The outcomes demonstrate that the independent variables fundamentally influence the Islamic Banking as appeared by the estimations of the t-measurement and the relating P-values. T-test is utilized to test the significance of the individual partial regression coefficients. This test demonstrates that the coefficients of the indicators are factually huge at under five percent level of significance.

Table 4
Unstandardized Coefficients and Standardized Coefficients

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.410	.503		4.787	.000
	Innovation	.144	.111	-.132	1.289	.002
	Knowledge	.135	.100	.136	1.344	.001
	Political Support	.039	.094	-.042	.409	.003

a. Dependent Variable: Islamic Banking

3.3 Testing of hypothesis

3.3.1 Political support vs. growth of Islamic banking

Hypothesis H_0 the political support has positive outcomes on the development of Islamic banking was upheld $R(100) = 0.748$, $P = 0.003$. It implies that the political help has beneficial outcome and Strong connection with development of Islamic banking. So, we acknowledge H_0 and reject H_1 .

3.3.2 Knowledge vs growth of Islamic banking

Hypothesis H_0 the Knowledge has positive outcomes on the development of Islamic banking was upheld $R(100) = 0.390$, $P = 0.001$. It implies that the knowledge has positive effect and moderate relation with the development of Islamic banking. So, we acknowledge H_0 and reject H_1 .

3.3.3 Innovation vs growth of Islamic banking

Hypothesis H_0 the Innovation has positive effect on the development of Islamic banking was upheld $R(100) = 0.350$, $P = 0.002$. It implies that the Innovation has positive effect and moderate relation with the development of Islamic banking. So, we acknowledge H_0 and reject H_1 .

4 Conclusions

At long last, this study presumed that that if we want to boost the Islamic banking, we should keep these elements such as customer knowledge, political support and innovation as a primary concern. It is a straightforward result of the study that these determinants put an immediate effect on the development in the Islamic keeping money in developing nation like Pakistan. All the exploration which we connected in these factors, gives the positive association with the advancement in Islamic account management. In the past studies researchers additionally intimate a hopeful relationship among these variables. this

study proposes that the development in the Islamic saving money directly affected client information, political help and advancement.

A careful writing survey is conducted, and an outline touch is given to the theoretical grounds. Methodology is executed by conveying and distributing the questionnaire and furthermore by taking direct interviews. Histogram demonstrates the normality of the information and scattered graph demonstrates the linearity of the model. In addition, Correlation and Regression is discovered which demonstrate the effect of customer knowledge, political support, and innovation in the development of Islamic banking. This part of proposal welcomes additional research to pay attention to this area. The investigation this study has done isn't sufficient to draw a specific outcome based on a specific and limited population sample. This research subject is extremely broadening and wide, which needs a thorough time management. That is why it is needed to do more research effort in this field.

Declarations

Conflict of Interest Statement

Authors declares that they have no conflict of interest.

Author Contributions

Maira Abrar and Sohail Abbas is contributed to the hypothesis of study area, design and data tabulation and analysis. Material preparation and survey has been done by Shehla Jabeen. The manuscript was written by Sohail Abbas, Shehla Jabeen and Amara Abrar

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Figures

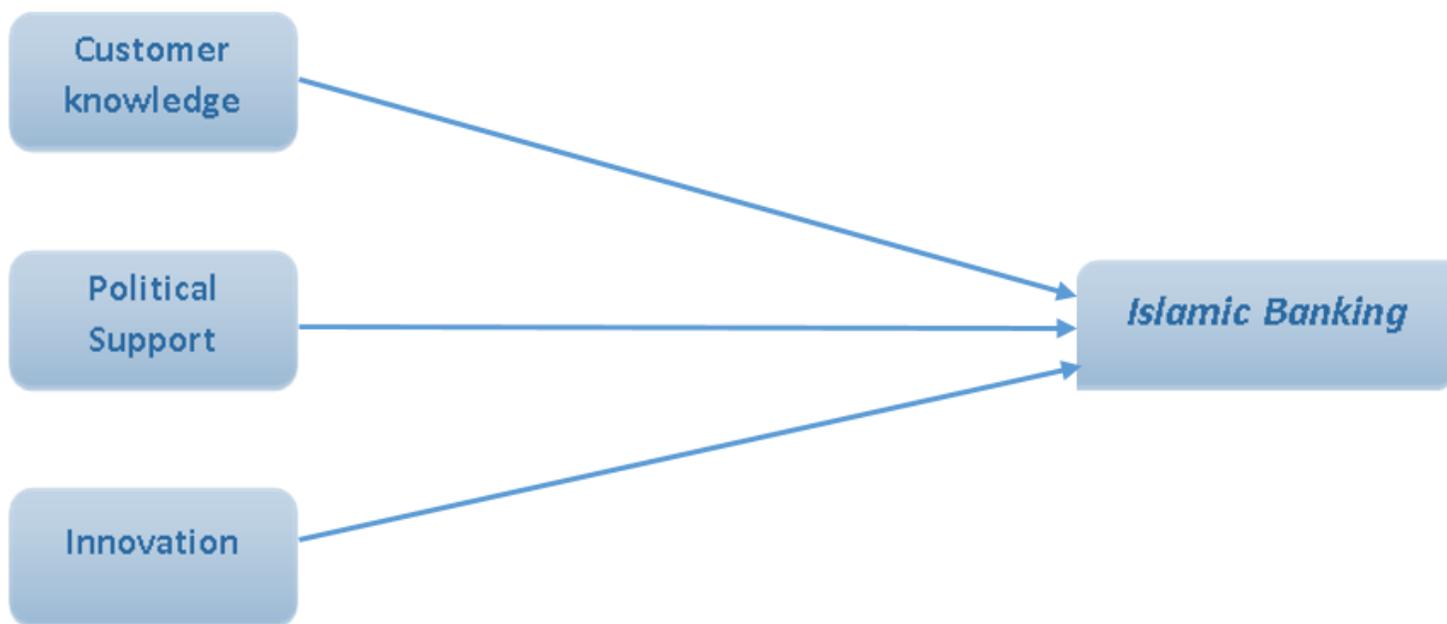


Figure 1

Theoretical implication of the Study

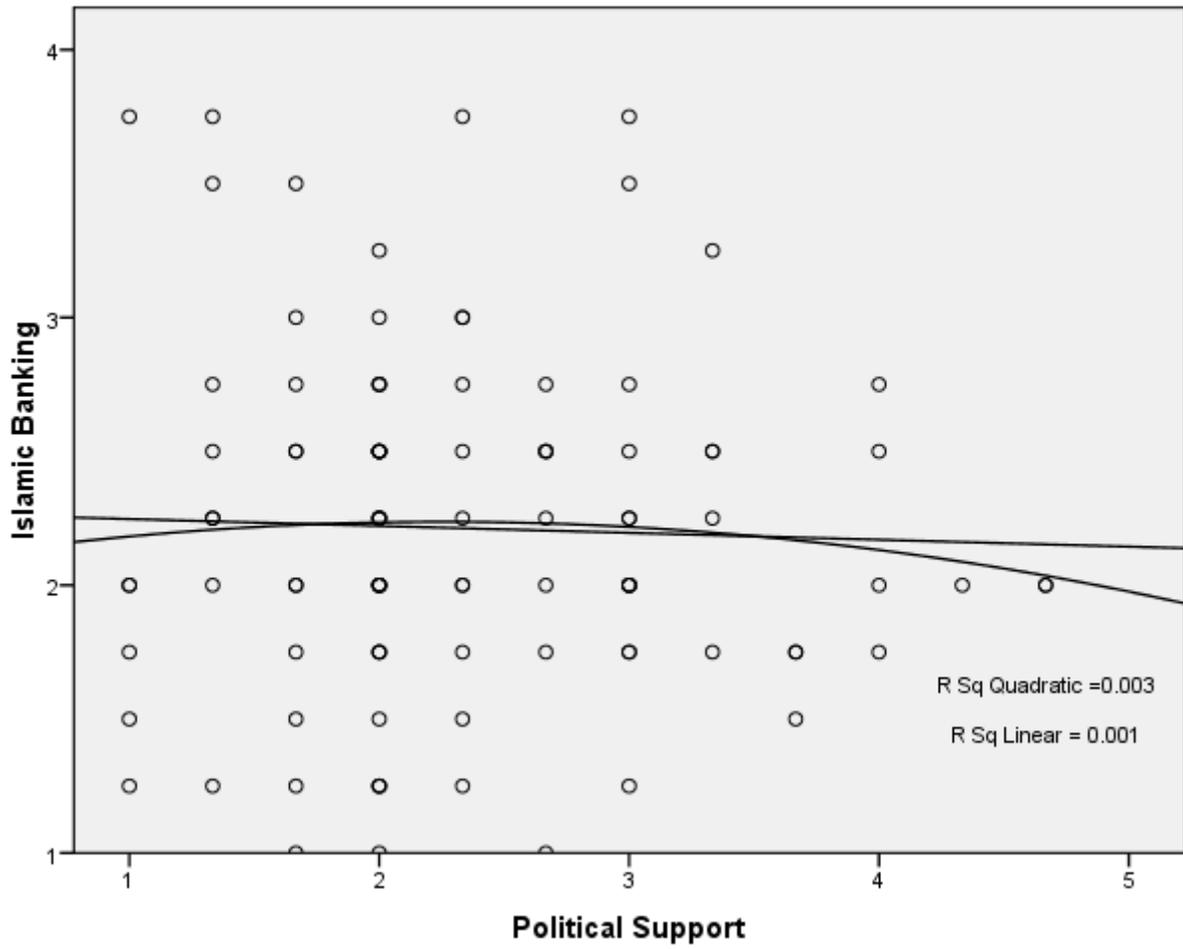


Figure 2

Interactive graph between Islamic banking and Political Support

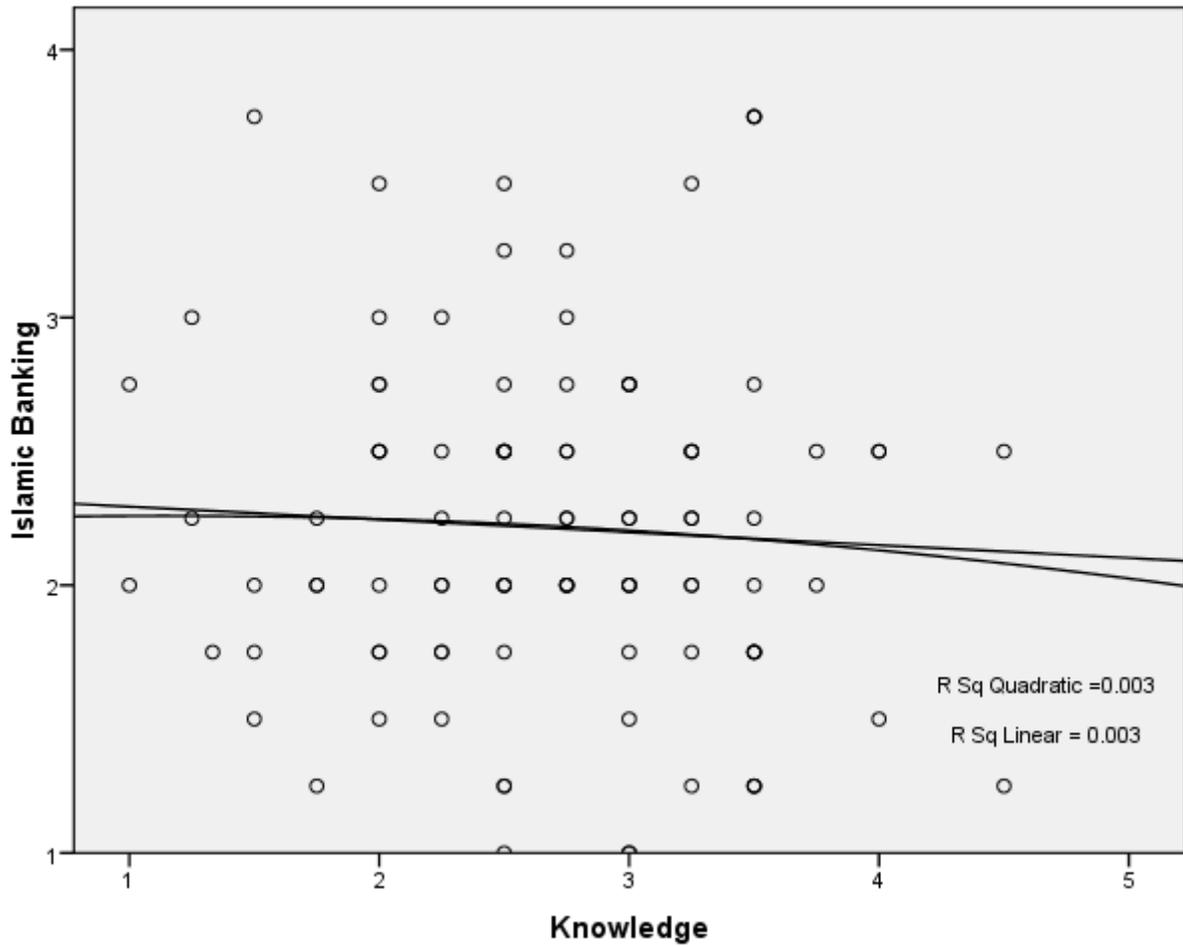


Figure 3

Interactive graph between Islamic banking and Knowledge

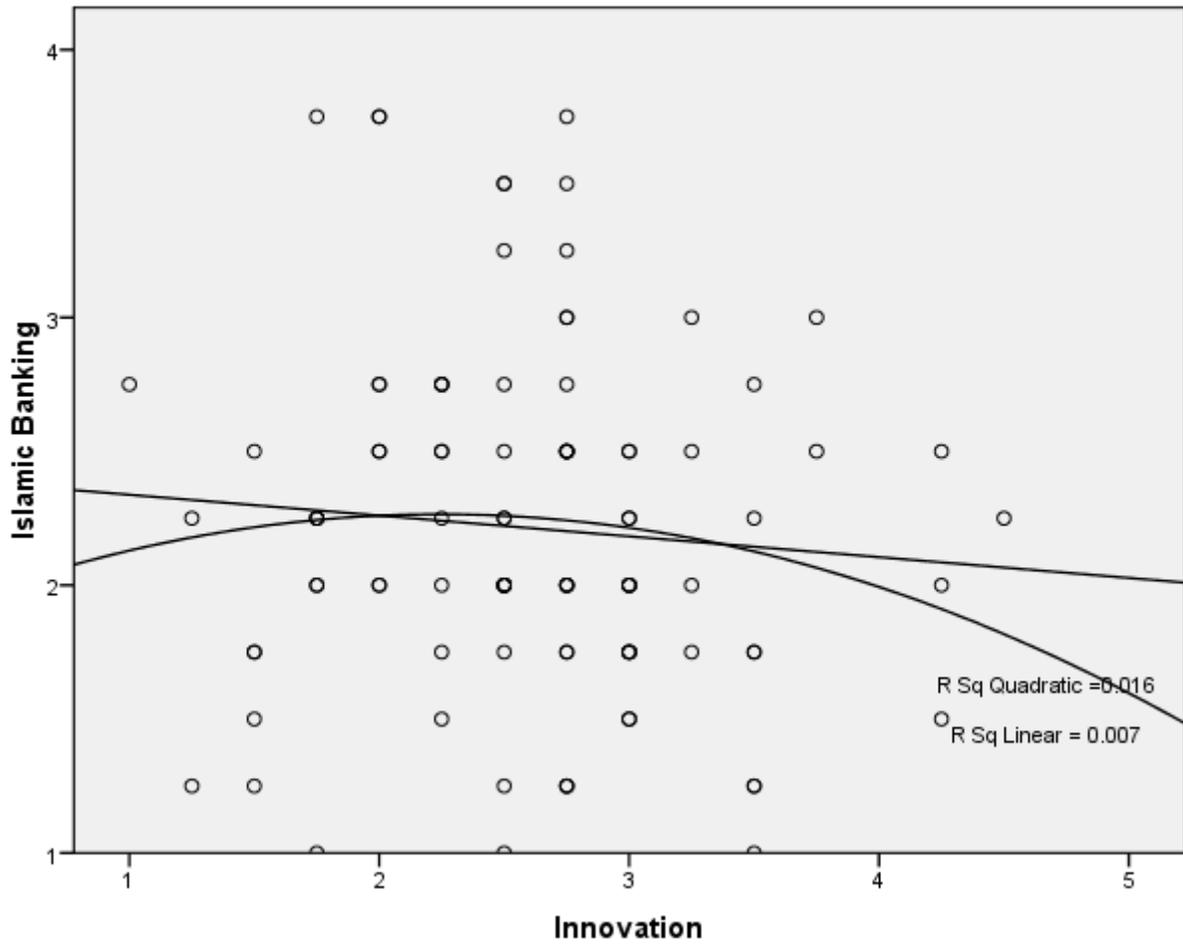


Figure 4

Interactive graph between Islamic banking and innovation

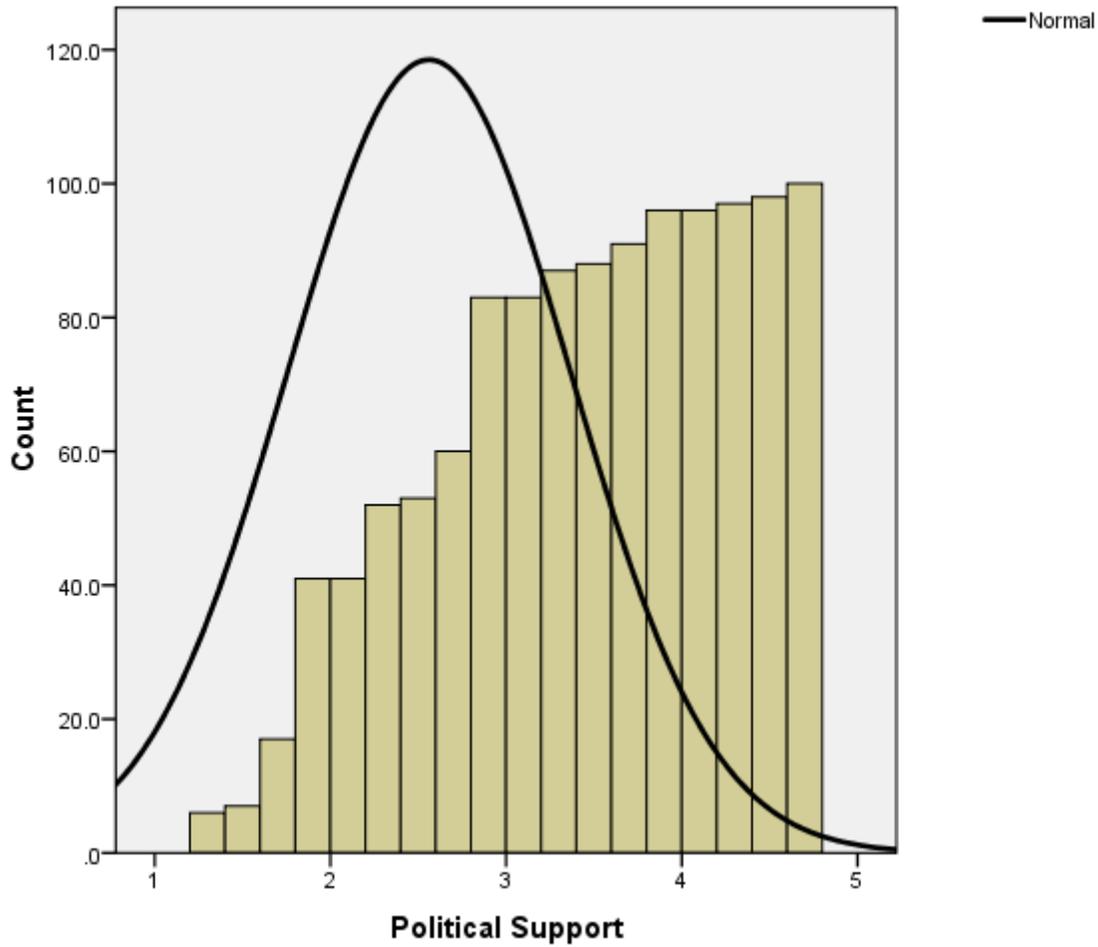


Figure 5

Interactive graph between Islamic banking and Innovation

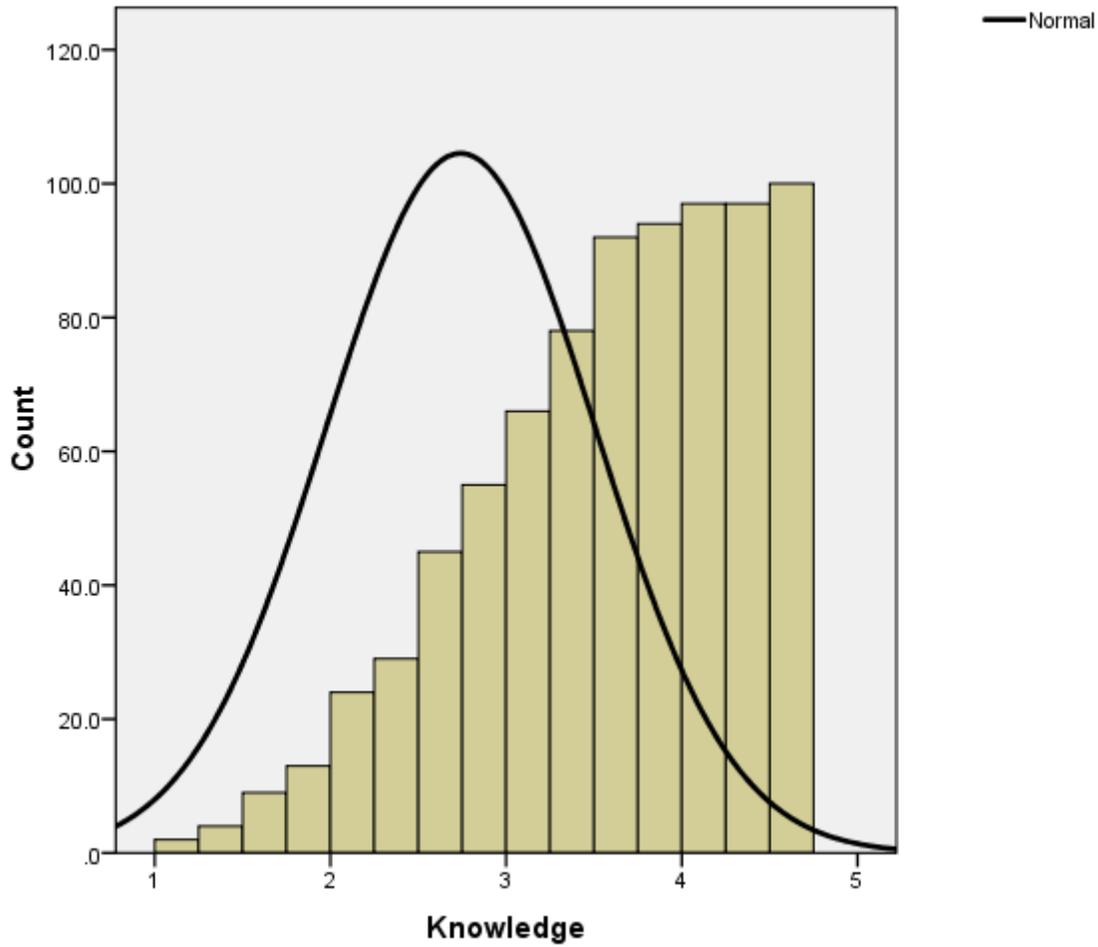


Figure 6

Interactive graph between Islamic banking and Innovation

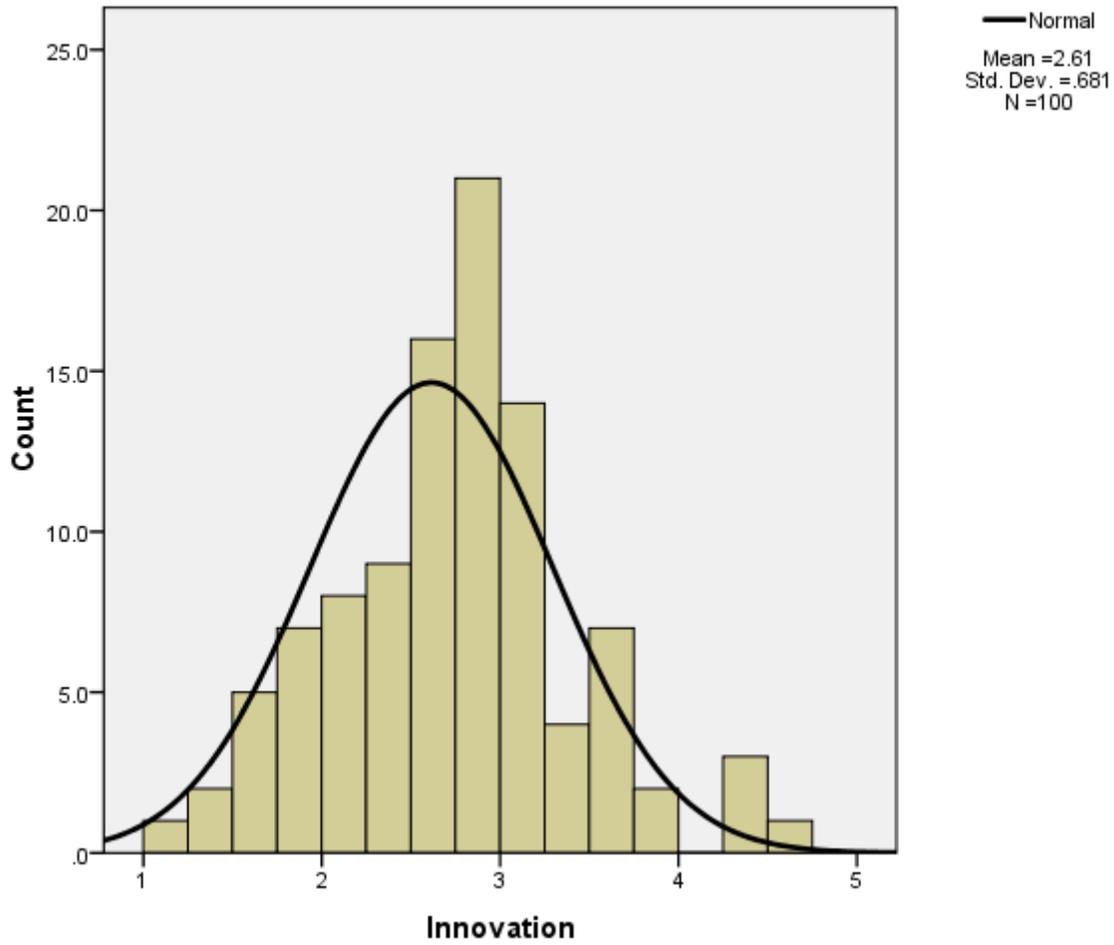


Figure 7

Interactive graph between Islamic banking and innovation

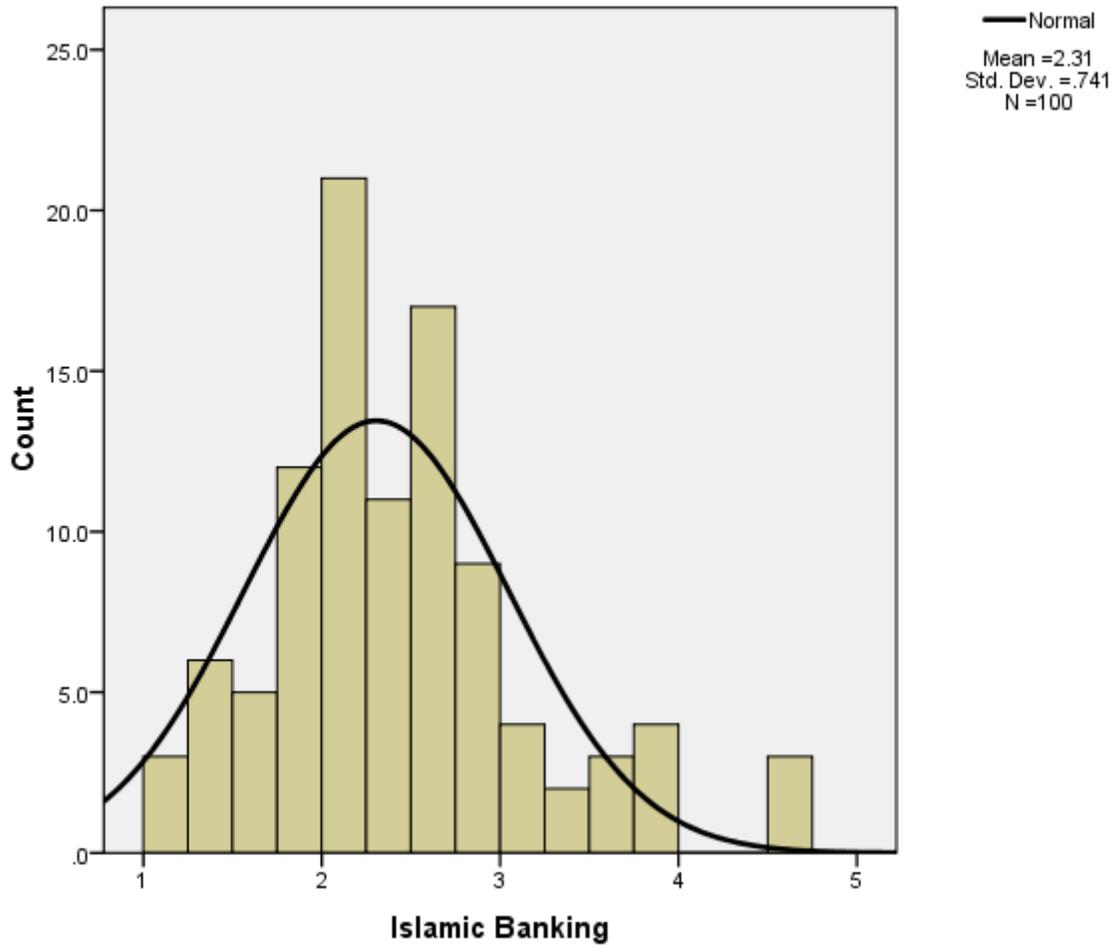


Figure 8

Interactive graph between Islamic banking and Innovation